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## BENNETT OFFERS SWEEPING REFORMS TO ENSURE PRIVACY OF PERSONAL MEDICAL RECORDS

Supported by Dole, Kassebaum, Kennedy, Leahy, and others, bill invokes stiff civil and criminal penalties for breech of new confidentiality rules -- most comprehensive privacy reforms in two decades

**WASHINGTON, D.C.** -- Citing examples of inappropriate disclosure of sensitive medical information, Senator Bob Bennett (R-Utah), chairman of the Senate Republican Health Care Task Force, today introduced legislation designed to significantly reduce the flow of personal medical data to unauthorized sources, and impose strong federal safeguards to protect the privacy of all Americans.

"This legislation will provide all Americans with greater assurance and peace of mind -- assurance that their very personal medical records are always available to them, and peace of mind that those whose job it is to handle this information will do so with the appropriate level of discretion and respect. Our bill says to those in whom we must confide information about our health, 'you must act responsibly with this information, you are not free to disseminate it randomly, or for personal gain, and if you choose to violate the public trust, you will be forced to face the consequences," Bennett said.

The Bennett bill marks the next step in incremental health care reform and represents a bipartisan coalition of senators including Senate Republican Leader Bob Dole (R-KS), Labor Committee Chairman Nancy Kassebaum (R-KS), Sens. Edward Kennedy (D-MA), Patrick Leahy (D-VT), Orrin Hatch (R-UT), Bill Frist (R-TN), Paul Simon (D-IL), Judd Gregg (R-NH), Ted Stevens (R-AK), Jim Jeffords (R-VT), and Herb Kohl (D-WI).

"I can think of few other areas of our lives that are more personal and private than is our medical history. We have a relationship with our doctors, nurses, pharmacists, and other health care professionals that is unique and privileged. They may know things about us that we choose not to tell our spouses, children, siblings, parents, or closest friends. Our medical records may contain nothing out of the ordinary, but to us these records are of the highest private nature and I believe we have the right to expect that they will be handled with dignity, caution and care,"

## Bennett added.

The Medical Records Confidentiality Act of 1995 establishes uniform privacy protection for personally identifiable health information. No comprehensive protection exists at the federal level to guarantee the confidentiality and integrity of such information, and those state laws which do exist are conflicting and inconsistent. Under the Bennett bill, personally identifiable health information is ensured strong and consistent privacy safeguards in both paper and electronic form.

"While most Americans assume they have access to their own medical records, the fact is that only 28 states provide you this access, and even then, the laws are inconsistent. Even my home state of Utah is without a law guaranteeing me access to this most sensitive of information. My doctors, nurses, insurance agents, billers and pharmacists have broad access to information about me from which I could legally be denied. This legislation will reverse this inequity," Bennett said.

"Our bill also will assist health care industry professionals in their attempts to streamline procedures for greater efficiency and significant cost savings. While many states have passed laws regarding confidentiality of medical records, in a society as mobile as ours, with more than 50 percent of the population living on or over the boarder of another state, there is a legitimate need for one standard law. Providers, payers, electronic data services, billers and others seek the certainty and cost savings this legislation will provide," he added.

## The Medical Records Confidentiality Act:

- Provides individuals with the right to inspect their medical records
- Establishes uniform, comprehensive federal rules governing the use and disclosure of identifiable health information about individuals
- Specifies the responsibilities of those who collect, use, and maintain health information about individuals -- defined as health care trustees
- Precludes health care trustees from disclosing an individual's protected health care information without that individual's authorization except in cases of emergencies, government subpoenas and warrants, public health purposes and next of kin.
- Defines the rights of individuals with respect to health information
- Provides mechanisms that will allow individuals to enforce their rights
- Provides for civil and criminal penalties for violation of the act -- up to a \$10,000 penalty for each violation with a cap of \$50,000. A penalty of up to \$250,000 can be imposed on frequent violations that constitute a business practice which would also result in exclusion from participation in Medicare and/or Medicaid.
- Pre-empts state laws except in the area of mental health and substance abuse where a state law may be more stringent

The bill will be referred to the Senate Labor, Health and Human Services Committee where it will be the subject of hearings. Similar legislation is pending in the House of Representatives sponsored by Rep. Gary Condit (D-CA).